amendment to the Sick Industrial Companies (Special Provisions) Act, 1985 for bringing sick industrial companies in the Public Sector within the purview of the Act.

Increase in Exports

*134. SHRI KADAMBUR M.R. JANARTHANAN: Will the Minister of COMMERCE be pleased to state:

(a) the percentage increase in exports after the announcement of new Exim policy;

(b) whether the exports have increased as per expectations;

(c) if not, the reasons therefor; and

(d) the steps proposed to be taken by the Government in this regard?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE (SHRI P. CHIDAMBARAM): (a) The Government has announced an initial package of trade reforms on 4th July, 1991, followed by a Statement on Trade Policy on 13th August 1991. According to provisional figures, the monthly export growth rate increased from 11.2% in June 1991 to Rs. 32.2% in July 1991, 41.7% in August 1991 and 42,4% in September 1991.

(b) and (c). Considering the uncertainties relating to developments in the Global economy, deliberate policy to compress exports to Rupee Payment Areas on account of difficulties being experienced by these countries to supply necessary imports to India on account of dislocation in the Soviet Union, decline in global output and exports, recession in major developed countries, depressed world prices for some of our agricultural products, import curbs imposed on account of critical Balance of Payments situation which affected our domestic production, steep hike in interest rates on export credit, and the timelag for exporters to react to the far reaching reforms in the trade policy, the growth in exports has been more or less according to expectations.

(d) The Government introduced a package of trade policy reforms aimed at strengthening of export incentives, eliminating substantial volume of import licensing and optimal import compression. REP licences have been replaced by a new instrument named Eximscrips. These will be the means of obtaining access to certain categories of imports of raw materials, components and spares. The system of advance licensing as an instrument of export promotion has also been strengthened. Government has decided to allow established exporters to open foreign currency accounts in approved banks and allow exporters to raise external credits, pay for export related imports from such accounts, and credit export proceeds to such accounts. Besides, Government have taken other steps which include reducing controls through licensing, simplification of procedures for exports, activisation of Board of Trade, bilateral discusion with selected countries, interaction with national organisations of trade and industry, etc.

Association of Private Sector in Production of Light Combat Aircraft

*135. SHRI P.M. SAYEED: Will the Minister of DEFENCE be pleased to state:

(a) whether the Government are contemplating to associate private sector with the proposal to induct light combat aircraft into the Indian Air Force;

(b) if so, the details of the scheme; and

(c) the main reasons for associating private sector with the defence efforts ?

THE MINISTER OF DEFENCE (SHRI SHARAD PAWAR): (a) and (b). LCA is in a